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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

LEHMAN BROTHERS HOLDINGS INC., et al.,

Debtors.

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Case No. 08-13555 (JMP)

Chapter 11

(Jointly Administered)

**LIMITED OBJECTION OF HWA 555 OWNERS, LLC TO
PROPOSED CURE AMOUNTS AND ASSUMPTION AND
ASSIGNMENT OF LEASE**

TO THE HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE:

HWA 555 Owners, LLC (the “Landlord”) for its limited objection (the “Limited
Objection”) to the Debtors’ stated cure amounts and the assumption and assignment of its lease,
respectfully state as follows:

Background

1. On September 15, 2008 (the “Petition Date”), Lehman Brothers Holdings
Inc. (“LBHI”) commenced a case under chapter 11 of title 11 of the United States Code (the
“Bankruptcy Code”). On September 16, 2008, LB 745 LLC (“LB 745,” collectively with LBHI,
the “Debtors”) commenced a case under chapter 11 of the Bankruptcy Code. The Debtors

continue to operate their business and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On September 17, 2008, the Debtors filed the Debtors' Motion to (A) Schedule a Sale Hearing; (B) Establish Sale Procedures; (C) Approve a Break-up Fee; and (D) Approve the Sale of the Purchased Assets and the Assumption and Assignment of Contracts Relating to the Purchased Assets (the "Sale Procedures Motion") including an Asset Purchase Agreement (the "Asset Purchase Agreement") that contemplates a sale of certain of the Debtors' assets to Barclays Capital Inc. ("Barclays"). On September 17, 2008, an order was entered approving the Sale Procedures Motion and a hearing to approve the sale was scheduled for September 19, 2008.

3. At approximately 1:00 am this morning, a schedule of executory contracts and unexpired leases that the Debtors plan to assume and assign to Barclays pursuant to an Asset Purchase Agreement was posted on the Debtors' case information website (the "Schedules").

4. The Landlord is the successor-in-interest to 555 California Street LLC formerly known as 555 California Street Partners. Pursuant to a lease agreement between 555 California Street Partners and Lehman Brothers, Inc., who is not one of the above-captioned debtors ("LBI"), dated as of April 19, 1994, as amended from time to time (the "Lease"), LBI leased from the Landlord certain commercial retail space, (the "Leased Premises"), located at 555 California Street, San Francisco, California. The Lease was included in the Schedule of executory contracts and unexpired leases that the Debtors plan to assume and assign to Barclays pursuant to an Asset Purchase Agreement with a proposed cure amount of \$194,322.97.

Limited Objection

5. Base on the ongoing review of its books and records, the Landlord believes that the appropriate cure amount may be higher than the amount proposed by the Debtors in its Schedules. In addition, the tenant under the Lease is LBI. LBI is not a debtor in any bankruptcy proceeding. The Debtors cannot assume and assign the Lease, and in the process establish cure amounts without regard to all of the provisions of the Lease. The Landlord, therefore, submits this Limited Objection to preserve all of its rights under the Lease, including without limitation, the right to supplement the Debtors' proposed cure amount, and the right to enforce any of its consent rights, recapture rights or profit sharing rights.

Joinder

6. The Landlord joins in the objections filed by other landlords, to the extent not inconsistent with this Limited Objection.

No Waiver

7. By submitting this Limited Objection to the Proposed Cure Amounts, the Landlord does not waive and hereby reserves any and all objections to any proposed assumption and assignment of the Lease by the Debtor and expressly reserves its right to amend, supplement and/or modify this Limited Objection for any reason.

WHEREFORE, for the foregoing reasons, the Court should not approve the assumption and assignment of the Lease unless the Debtors cure all defaults and fulfill all the applicable provisions under the Lease.

Dated: New York, New York
September 19, 2008

Respectfully submitted,

/s/ Brian Pfeiffer

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